



H.R. 2581 – Verify First Act (Barletta, R-PA)

CONTACT: Amanda Lincoln, 202-226-2076

FLOOR SCHEDULE:

Expected to be considered during the week of June 12.

TOPLINE SUMMARY:

<u>H.R. 2581</u> would require the Secretary of Treasury to confirm that an individual is a citizen or national of the United States, or a lawfully present alien, before making any advance payments for premium assistance on that individual's behalf.

COST:

The <u>Congressional Budget Office (CBO)</u> estimates that H.R. 2581 could affect revenues or direct spending if the American Health Care Act of 2017 was enacted prior to this legislation, however, implementing this bill would have no effect on revenues or direct spending relative to current law.

CONSERVATIVE CONCERNS:

- **Expand the Size and Scope of the Federal Government?** No.
- Encroach into State or Local Authority? No.
- Delegate Any Legislative Authority to the Executive Branch? No.
- Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits? No.

DETAILED SUMMARY AND ANALYSIS:

H.R. 2581 would prohibit the Secretary of the Treasury from making advance payments for premium assistance on behalf of any individual until receiving confirmation from the Secretary of Health and Human Services that the Commissioner of Social Security or Secretary of Homeland Security has verified that the individual is a citizen or national of the United States, or a lawfully present alien. The verification must use information relevant to citizenship or immigration status, like social security account numbers rather than individual taxpayer identification numbers. The bill would apply to Obamacare's advanced premium tax credits until December 31, 2019, and after that point would apply to the new tax credits created for the purchase of health insurance in the individual market under H.R. 1628, the American Health Care Act (AHCA).

Should the verification process delay an individual's eligibility for the tax credit, it will not be counted against that individual for the purposes of the AHCA's continuous coverage penalty. If those individuals would need to pay two or more months of retroactive premiums in order for their coverage to be effective on the date requested in their enrollment application, they will be given the option to postpone their effective date for up to one month.

This bill is contingent upon the enactment of AHCA, and would only apply to months beginning after December 31, 2017. Similar language was included in the reconciliation legislation reported by the Committee on Ways and Means on March 8, but was removed during Rules Committee consideration due to concerns it could run afoul of the Senate rules governing reconciliation and thus jeopardize privilege of the bill in the Senate, which is required to ensure a 51-vote threshold for approval.

COMMITTEE ACTION:

This bill was introduced by Representative Barletta (R-OH) on May 22, 2017 and referred to the House Committee on Ways and Means and House Committee on Energy and Commerce. The Ways and Means Committee reported the bill on June 2 by a vote of 22-16.

Read the committee report <u>here</u>.

ADMINISTRATION POSITION:

No Statement of Administration Policy is available at this time.

CONSTITUTIONAL AUTHORITY:

According to the sponsor: Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, Clause 1.

